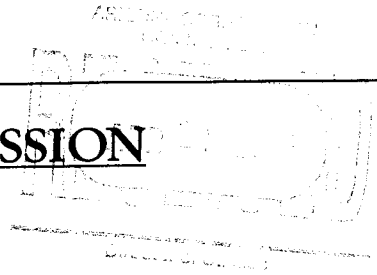


4-17-01
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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

H

W-02312A WATER
HALCYON ACRES ANNEX NO. 2 WATER COMPANY, INC.
8715 E 20TH ST
TUCSON AZ 85710-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2000
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FOR COMMISSION USE

ANN 04	00
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COMPANY INFORMATION

Company Name (Business Name) HALCYON ACRES ARROYO & WATERS CO. INC.

Mailing Address 8715 E 20th ST
(Street)
Tucson, AZ 85710
(City) (State) (Zip)

520-298-2704

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address SAME
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: W. Gene Wilcox PRESIDENT
(Name) (Title)

8715 E 20th ST Tucson AZ 85710
(Street) (City) (State) (Zip)

520-298-2704

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: SAME
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Statutory Agent: W. Gene Wilson
 (Name)

8715 E. 20th St Tucson, AZ 85710
 (Street) (City) (State) (Zip)

520-298-2704
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: _____
 (Name)

 (Street) (City) (State) (Zip)

 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME HAWC #2 12/31/00

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	—	—	—
302	Franchises	—	—	—
303	Land and Land Rights	10,500.	—	10,500.
304	Structures and Improvements ^{Fence} _{Tree Shed}	1,760. 1,700	1679. 480.	41. 1020.
307	Wells and Springs	26,520.	26,520.	0
311	Pumping Equipment	13,895.	6,255.	7,640.
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	4,465.	4,465.	0
331	Transmission and Distribution Mains	1,000.	600.	400.
333	Services	3,243.	2812.	431.
334	Meters and Meter Installations ³³⁶⁺³³⁶⁺³³⁶	1,000. 4752.	51+34+17. 1901.	285/302/319 2351.
335	Hydrants	1000.	977.	23.
336	Backflow Prevention Devices	Included in (334)		
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment ^{Generator}	4,500.	675.	3825.
348	Other Tangible Plant	—	—	—
	TOTALS	74,343.	46,686.	27,657.

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

HAWC #2.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	—	—	—
302	Franchises	—	—	—
303	Land and Land Rights	10,500.	0	0
304	Structures and Improvements <i>Fence raft shed</i>	1,140 1,700.	5% 10%	88.- 170.-
307	Wells and Springs	26,520.	5%	1326.-
311	Pumping Equipment	13,895.	5%	695.-
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	4465.-	5%	223.-
331	Transmission and Distribution Mains	1000.-	5%	50.-
333	Services	3243.-	5%	162.-
334	Meters and Meter Installations	4752.-	5%	238.-
335	Hydrants	1000.-	5%	50.-
336	Backflow Prevention Devices	Included in [334]		
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment <i>Generator</i>	4500.-	5%	225.-
348	Other Tangible Plant	—	—	—
	TOTALS	74,343.-	—	3278.-

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME

HAWC #2

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 89,691.-	\$ 26,541.-
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	516.-	—
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 44,851.-	\$ 26,541.-
	FIXED ASSETS		
101	Utility Plant in Service	\$ 69,186.-	\$ 76,270.-
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	44,087.-	46,686.-
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 25,099.-	\$ 29,584.-
	TOTAL ASSETS	\$ 29,584.-	\$ 32,238.-

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME HAWC #2BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$	\$
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 4600.	\$ 6600.
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	22,984.-	25,638.-
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 29,584.-	\$ 32,238.-
	TOTAL LIABILITIES AND CAPITAL	\$ 29,584.-	\$ 32,238.-

COMPANY NAME

HAWC #2

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 14, 769. -	\$ 17, 368. -
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 14, 769. -	\$ 17, 368. -
	OPERATING EXPENSES		
601	Salaries and Wages	\$ —	\$ —
610	Purchased Water	180. -	915. -
615	Purchased Power	1955. -	2195. -
618	Chemicals	—	—
620	Repairs and Maintenance	532. -	227. -
621	Office Supplies and Expense	154. -	100. -
630	Outside Services	4690. -	5323. -
635	Water Testing	300. -	633. -
641	Rents	—	—
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	884. -	259. -
403	Depreciation Expense	3261. -	3278. -
408	Taxes Other Than Income	713. -	542. -
408.11	Property Taxes	1244. -	1232. -
409	Income Tax	—	—
	TOTAL OPERATING EXPENSES	\$ 13, 913. -	\$ 14, 724. -
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 18. -	\$ 10. -
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/EXP	\$ 18. -	\$ 10. -
	NET INCOME/(LOSS)	\$ 874. -	\$ 2654. -

COMPANY NAME

SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$

Meter Deposits Refunded During the Test Year \$

COMPANY NAME HAWC #2

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-504918	30.HP	150.	12"	4"

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Tucson Water	2" line	189.

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 7,970.

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
		2 1/2" DWARFE	10.

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
		5,000. GAL.	1.

STATISTICAL INFORMATION

Total number of customers 34.

Total number of gallons sold 8,159,309. gallons

COMPANY NAME HAWC #2 YEAR ENDING 12/31/2000

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2000 was: \$ 1232. —

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME

HAWC #2

YEAR ENDING 12/31/2000

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported

\$ 2881. -

Estimated or Actual Federal Tax Liability

432. -

State Taxable Income Reported

2881. -

Estimated or Actual State Tax Liability

230. -

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

W. Gene Wilcox

SIGNATURE

APR 9/01

DATE

W. Gene Wilcox

PRINTED NAME

President

TITLE

COMPANY NAME HAWC #2 YEAR ENDING 12/31/2000

WATER AND ~~SEWER~~
UTILITIES ONLY

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2000)

\$ 1232.-

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF AZ
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	<u>PIMA</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>W. G. Wilcox</u> <u>PRESIDENT</u>
COMPANY NAME	<u>Alhambra Acres Annex #2 Water Co. Inc.</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

~~17,930.~~ 17,368.

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ ~~562.~~ 868.
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

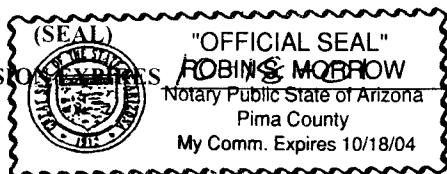
THIS 10 DAY OF

COUNTY NAME	<u>Pima</u>
MONTH	<u>April</u> <u>2001</u>

W. G. Wilcox
SIGNATURE OF OWNER OR OFFICIAL
520-298-2709
TELEPHONE NUMBER

Robin S. Morrow
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>PIMA</u>	
NAME (OWNER OR OFFICIAL) <u>W. Gene Wilcox</u>	TITLE <u>PRESIDENT</u>
COMPANY NAME <u>HALCYON ACRES ANNEX #2 WATER CO INC.</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2000 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>16,756.00</u>
--

(THE AMOUNT IN BOX AT LEFT \$ 16,756.00 INCLUDES \$ 868.00 IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

X W. Gene Wilcox
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

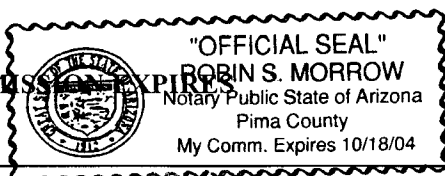
10

DAY OF

NOTARY PUBLIC NAME <u>Robin S. Morrow</u>	
COUNTY NAME <u>Pima</u>	
MONTH <u>April</u>	20 <u>01</u>

(SEAL)

MY COMMISSION



X Robin S. Morrow
SIGNATURE OF NOTARY PUBLIC

3014

91-170/1221

HALCYON ACRES ANNEX NO. 2
WATER COMPANY, INC.
8835 E. 21ST ST. 520-296-3417
TUCSON, AZ 85710

PAY
TO THE
ORDER OF

James Lee Kirk

Five hundred fifty dollars & 80/100

\$ 550.80

DOLLARS

W. Gene Wilcox

James Lee Kirk

1340304900100

⑈003014⑈ 122101706⑈

057⑈ 160961⑈

⑈0000055080⑈

Bank of America
8890 E. Broadway
Tucson, AZ 85710
257-0001 in Phoenix, 1-800-284-8491 Nationwide

2982

91-170/1221

HALCYON ACRES ANNEX NO. 2
WATER COMPANY, INC.
8835 E. 21ST ST. 520-296-3417
TUCSON, AZ 85710

PAY
TO THE
ORDER OF

James Lee Kirk

\$ 681.28

DOLLARS

One hundred eighty one dollars & 28/100

W. Gene Wilcox

James Lee Kirk

134-03-04900-0100

257-0001 99

⑈002982⑈ 122101706⑈

057⑈ 160961⑈

⑈0000068128⑈

Bank of America
8890 E. Broadway
Tucson, AZ 85710
257-0001 in Phoenix, 1-800-284-8491 Nationwide

31000070

BANK OF AMERICA
#22167064 E279 9101
1012000

101-103

0035 79147

FOR DEPOSIT ONLY
PIMA COUNTY
JAMES LEE KIRK
PIMA COUNTY TREASURER
AND EX-OFFICIO TAX COLLECTOR
PIMA COUNTY, ARIZONA

31000070

BANK OF AMERICA
#22167064 E279 9101
1012000

MAY - 3 00

0039 01000

FOR DEPOSIT ONLY
TO THE CREDIT OF
JAMES LEE KIRK
PIMA COUNTY TREASURER
AND EX-OFFICIO TAX COLLECTOR
PIMA COUNTY, ARIZONA
412-724155